



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Division Director

September 12, 2003

TO: Lowell P. Braxton, Director

THRU: Mary Ann Wright, Associate Director *MAW*

THRU: Wayne Hedberg, Permit Supervisor *WH*

FROM: Tom Munson, Senior Reclamation Hydrologist *TM*

RE: Request for Approval of Form and Amount of Replacement Reclamation Surety, Graymont Western US Inc., Cricket Mountain Quarry, M/027/006, Millard County, Utah

On July 1, 2003, the Division received notice that Graymont Western US Inc.'s surety bond issued by Lumbermens Mutual Casualty Company was going to be cancelled, effective September 23, 2003. The company was notified that a replacement surety must be received within 60 days. On September 11, 2003, we received a replacement surety in the form of a Letter of Credit issued by HSBC Bank USA #SDCMTN545925. Also received was a replacement Reclamation Contract which is directly tied to the LOC. The surety was recently escalated to year 2007; therefore, no increase in the bond was required at this time. The only change in the Reclamation Contract is the Surety Company and policy number.

If you are in agreement with the acceptance of the replacement reclamation surety please sign and date the Reclamation Contract (no signature is required on the LOC). We will then send copies of the newly executed documents to Graymont for their records and return the cancelled policy and old Reclamation Contract to them. Thank you for your consideration of this request.

jb

Enclosure: MR-RC & surety

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Agree LPB 9-15